

# ANNUAL REPORT CERTIFICATION

City of Roy

(Official Name of Government)

0600

MCAG No.

Submitted pursuant to RCW 43.09.230 to the Washington State Auditor's Office

For the Fiscal Year Ended 12/31/2016

## GOVERNMENT INFORMATION:

Official Mailing Address	<u>PO Box 700</u>
	<u>Roy, WA 98580</u>
Official Website Address	<u><a href="http://www.cityofroywa.us">http://www.cityofroywa.us</a></u>
Official E-mail Address	<u><a href="mailto:roycityhall@cityofroywa.us">roycityhall@cityofroywa.us</a></u>
Official Phone Number	<u>253-843-1113</u>

## AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title	<u>Debra Dearing City Clerk-Treasurer</u>
Contact Phone Number	<u>253-843-1113</u>
Contact E-mail Address	<u><a href="mailto:roycityhall@cityofroywa.us">roycityhall@cityofroywa.us</a></u>

I certify 5th day of May, 2017, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting Systems Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Signatures

Debra Dearing ([roycityhall@cityofroywa.us](mailto:roycityhall@cityofroywa.us))

**City of Roy**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2016**

		<b>Total for All Funds (Memo Only)</b>	<b>001 General Fund</b>	<b>101 City Streets</b>	<b>102 Transportation Benefit District</b>
<b>Beginning Cash and Investments</b>					
30810	Reserved	43,221	-	6,966	6,703
30880	Unreserved	642,514	249,016	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
<b>Revenues</b>					
310	Taxes	479,446	443,681	-	14,197
320	Licenses and Permits	18,106	18,106	-	-
330	Intergovernmental Revenues	80,322	22,025	44,287	-
340	Charges for Goods and Services	273,236	5,499	-	-
350	Fines and Penalties	44,877	30,630	-	-
360	Miscellaneous Revenues	39,131	38,638	-	16
Total Revenues:		935,118	558,579	44,287	14,213
<b>Expenditures</b>					
510	General Government	161,796	161,796	-	-
520	Public Safety	192,705	192,705	-	-
530	Utilities	181,239	-	-	-
540	Transportation	52,635	363	45,413	6,859
550	Natural and Economic Environment	3,221	3,221	-	-
560	Social Services	214	214	-	-
570	Culture and Recreation	28,162	28,162	-	-
Total Expenditures:		619,972	386,461	45,413	6,859
Excess (Deficiency) Revenues over Expenditures:		315,146	172,118	(1,126)	7,354
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	55,007	-	10,784	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	34,928	34,928	-	-
381, 395, 398	Other Resources	21,205	1,100	-	-
Total Other Increases in Fund Resources:		111,140	36,028	10,784	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	54,909	7,586	226	3,000
591-593, 599	Debt Service	35,175	-	-	-
597	Transfers-Out	45,395	33,611	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	34,928	34,928	-	-
581	Other Uses	20,105	-	-	-
Total Other Decreases in Fund Resources:		190,512	76,125	226	3,000
<b>Increase (Decrease) in Cash and Investments:</b>		<b>235,774</b>	<b>132,021</b>	<b>9,432</b>	<b>4,354</b>
<b>Ending Cash and Investments</b>					
5081000	Reserved	67,833	-	16,398	11,057
5088000	Unreserved	853,676	381,037	-	-
<b>Total Ending Cash and Investments</b>		<b>921,509</b>	<b>381,037</b>	<b>16,398</b>	<b>11,057</b>

*The accompanying notes are an integral part of this statement.*

**City of Roy**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2016**

		<b>305 Capital Projects Fund</b>	<b>402 Water Operations &amp; Maintenance</b>
<b>Beginning Cash and Investments</b>			
30810	Reserved	29,552	-
30880	Unreserved	21,496	372,002
388 / 588	Prior Period Adjustments, Net	-	-
<b>Revenues</b>			
310	Taxes	21,568	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	14,010
340	Charges for Goods and Services	-	267,737
350	Fines and Penalties	-	14,247
360	Miscellaneous Revenues	78	399
Total Revenues:		21,646	296,393
<b>Expenditures</b>			
510	General Government	-	-
520	Public Safety	-	-
530	Utilities	-	181,239
540	Transportation	-	-
550	Natural and Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		-	181,239
Excess (Deficiency) Revenues over Expenditures:		21,646	115,154
<b>Other Increases in Fund Resources</b>			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	44,223	-
385	Special or Extraordinary Items	-	-
386 / 389	Custodial Activities	-	-
381, 395, 398	Other Resources	-	20,105
Total Other Increases in Fund Resources:		44,223	20,105
<b>Other Decreases in Fund Resources</b>			
594-595	Capital Expenditures	9,688	34,409
591-593, 599	Debt Service	6	35,169
597	Transfers-Out	10,784	1,000
585	Special or Extraordinary Items	-	-
586 / 589	Custodial Activities	-	-
581	Other Uses	20,105	-
Total Other Decreases in Fund Resources:		40,583	70,578
<b>Increase (Decrease) in Cash and Investments:</b>		<b>25,286</b>	<b>64,681</b>
<b>Ending Cash and Investments</b>			
5081000	Reserved	40,378	-
5088000	Unreserved	35,956	436,683
<b>Total Ending Cash and Investments</b>		<b>76,334</b>	<b>436,683</b>

**City of Roy**  
**Fiduciary Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2016**

		<b>Total for All Funds (Memo Only)</b>	<b>635 Treasurers Suspense Fund</b>
308	Beginning Cash and Investments	9,612	9,612
388 & 588	Prior Period Adjustments, Net	-	-
310-360	Revenues	-	-
380-390	Other Increases and Financing Sources	1,250	1,250
510-570	Expenditures	-	-
580-590	Other Decreases and Financing Uses	10,862	10,862
	Net Increase (Decrease) in Cash and Investments:	(9,612)	(9,612)
508	Ending Cash and Investments	-	-

*The accompanying notes are an integral part of this statement.*

**City of Roy**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2016**

**Note 1 - Summary of Significant Accounting Policies**

The City of Roy was incorporated on July 16, 1908 and operates under the laws of the state of Washington applicable to a Non-chartered Code City with a Mayor-Council form of government. The City of Roy is a general purpose local government and provides public safety, street improvement, parks, library and general administrative services. In addition, the City of Roy owns and operates a water system.

The City reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are not presented using the classifications defined in GAAP.

**A. Fund Accounting**

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements. The following fund types are used:

**GOVERNMENTAL FUND TYPES:**

**General Fund**

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

**Special Revenue Funds**

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

### Capital Projects Funds

These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

### PROPRIETARY FUND TYPES:

#### Enterprise Funds

These funds account for operations that provide goods or services to the general public and are supported primarily through user charges.

### FIDUCIARY FUND TYPES:

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

#### Agency Funds

These funds are used to account assets that the government holds on behalf of others in a custodial capacity.

### B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid.

In accordance with state law, the City also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

### C. Budgets

The City adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

The appropriated and actual expenditures for the legally adopted budgets were as follows:

<b>Fund</b>	<b>Final Appropriated Amounts</b>	<b>Actual Expenditures</b>	<b>Variance</b>
001 General Fund	\$ 521,963	\$ 462,583	\$ 59,380
101 City Streets Fund	\$ 48,881	\$ 45,638	\$ 3,243
102 Transportation Benefit District	\$ 10,060	\$ 9,859	\$ 201
305 - Capital Projects Funds			
305 Capital Projects Fund	\$ 44,811	\$ 40,582	\$ 4,229
306 Capital Projects REET2 Fund	\$ -	\$ -	\$ -
501 Equipment Replacement & Repair Fund	\$ -	\$ -	\$ -
Total 305 - Capital Projects Funds	\$ 44,811	\$ 40,582	\$ 4,229
402 - Water Operations & Maintenance Funds			
402 Water Operations & Maintenance Fund	\$ 249,169	\$ 230,700	\$ 18,469
405 Capital Improvements Fund	\$ 226,562	\$ 58,119	\$ 168,443
Total 402 - Water Operations & Maintenance Funds	\$ 475,731	\$ 288,819	\$ 186,912

Budgeted amounts are authorized to be transferred between departments within any fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the City's legislative body. The final appropriated amounts for the following funds changed substantially from the original budget.

<b>Fund</b>	<b>Final Appropriated Amounts</b>	<b>Original Appropriated Amounts</b>	<b>Percent Change</b>	<b>Explanation</b>
101 City Streets Fund	\$ 48,881	\$ 30,360	61%	Expenditure from street light conversion grant
305 Capital Projects Fund	\$ 44,811	\$ 2,000	2141%	Expenditure delayed from 2015 and interfund accounting correction
402 Water Operations & Maintenance Fund	\$ 249,169	\$ 220,790	13%	Correction of accounting for city utility tax
405 Capital Improvements Fund	\$ 226,562	\$ 75,000	202%	Expenditures delayed from 2015

D. Cash and Investments

See Note 3, *Deposits and Investments*.

E. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5,000.00 and an estimated useful life in excess of one year. Capital assets and inventory are recorded as capital

expenditures when purchased.

F. Compensated Absences

Vacation leave may be accumulated up to 120 hours and is payable upon separation or retirement. Sick leave may be accumulated up to 176 hours. Upon separation or retirement employees do not receive payment for unused sick leave. Regular part-time employees accrue leave on a pro-rata basis. Payments are recognized as expenditures when paid. The accompanying Schedule 9 includes an estimated 7.85% additional amount for payroll taxes.

G. Long-Term Debt

See Note 4, *Debt Service Requirements*.

H. Risk Management

PROPERTY AND LIABILITY:

The City of Roy is a member of the Association of Washington Cities Risk Management Service Agency (AWC RMSA). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC RMSA was formed on January 1, 1989 when 32 municipalities in the State of Washington joined by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. As of December 31, 2016, 98 municipalities/entities participate in the AWC RMSA pool.

The AWC RMSA allows members to establish a program of joint insurance and provides risk management services to all members. All coverages are on an occurrence basis. The AWC RMSA provides all risk property, comprehensive crime, general liability, automobile liability, police liability, public officials' liability, employee fidelity and faithful performance, and equipment breakdown insurance coverage. Equipment breakdown is included with the property insurance carrier and fidelity (crime) coverage is a stand-alone policy, which the AWC RMSA procures for its members. The AWC RMSA also allows members with airports to group purchase airport liability coverage.

Members pay an annual assessment to the AWC RMSA. The AWC RMSA is responsible for payment of all covered causes of loss against the jurisdiction above the stated retention. All members in the AWC RMSA have \$15 million in both per occurrence and aggregate liability limits. For the first \$1 million in liability limits, AWC RMSA is self-insured for its Self-Insured Retention (SIR) of \$250,000, per occurrence, and is reinsured by Berkley Public Entity for the additional \$750,000. The \$9 million in excess liability coverage limits, an excess liability policy is purchased from Argonaut Insurance Company. The \$5 million in excess liability coverage limits above the first layer of excess coverage is purchased from Allied World National Assurance Company. The excess



property coverage is purchased through Lexington Insurance Company using the Pool's broker, Arthur J. Gallagher Risk Management Services. In 2016, AWC RMSA carried a retention of \$100,000 and limits up to \$250 million. Since AWC RMSA is a cooperative program, there is joint liability among the participating members.

Members contract to remain in the AWC RMSA pool for a minimum of one year and must give a one-year notice before terminating participation. Even after termination, a member is still responsible for contributions to the Pool for any unresolved, unreported, and in-process claims for the period they were signatory to the Interlocal Governmental Agreement.

The AWC RMSA establishes a loss fund for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses.

In accordance with WAC 200.100.02023, the AWC RMSA is governed by a board of directors, which is comprised of elected officials of participating members.

The risk pool's financial statements can be obtained by contacting AWC RMSA at 1076 Franklin Street SE, Olympia WA 98501-1346.

#### HEALTH AND WELFARE:

The City of Roy is a member of the Association of Washington Cities Employee Benefit Trust Health Care Program (AWC Trust HCP). Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, form together or join a pool or organization for the joint purchasing of insurance, and/or joint self-insurance, to the same extent that they may individually purchase insurance, or self-insure.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC Trust HCP was formed on January 1, 2014 when participating cities, towns, and non-city entities of the AWC Employee Benefit Trust in the State of Washington joined together by signing an Interlocal Governmental Agreement to jointly self-insure certain health benefit plans and programs for participating employees, their covered dependents and other beneficiaries through a designated account within the Trust.

As of December 31, 2016, 258 cities/towns/non-city entities participate in the AWC Trust HCP.

The AWC Trust HCP allows members to establish a program of joint insurance and provides health and welfare services to all participating members. The AWC Trust HCP pools claims without regard to individual member experience. The pool is actuarially rated each year with the assumption of projected claims run-out for all current members. The AWC Trust HCP includes medical, dental and vision insurance through the following carriers: Group Health Cooperative/Group Health Options, Inc., Regence BlueShield, Asuris Northwest Health, Delta Dental of Washington, and Vision Service Plan. Eligible members are cities and towns within the state of Washington. Non-City Entities (public agency, public corporation, intergovernmental agency, or political subdivision within the state of Washington) are eligible to apply for coverage into the AWC Trust HCP, submitting application to the Board of Trustees for review as required in the Trust Agreement.

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is

responsible for payment of all covered claims. In 2016, the AWC Trust HCP purchased stop loss insurance for Regence/Asuris plans at an Individual Stop Loss (ISL) of \$1.5 million through Life Map, and Group Health ISL at \$750,000 through Sun Life. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum of 12 months in advance of the termination date, and participating employers with under 250 employees must provide written notice of termination of all coverage a minimum of 6 months in advance of termination date. When all coverage is being terminated, termination will only occur on December 31. Participating employers terminating a group or line of coverage must notify the HCP a minimum of 60 days prior to termination. A participating employer's termination will not obligate that member to past debts, or further contributions to the HCP. Similarly, the terminating member forfeits all rights and interest to the HCP Account.

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns. The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW.

The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

The accounting records of the Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor's office.

The risk pool's financial statements can be obtained by contacting AWC Trust HCP at 1076 Franklin Street SE, Olympia WA 98501-1346.

#### I. Reserved Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as reserved when it is subject to restrictions on use imposed by external parties or due to internal commitments established by ordinance or resolution of the City Council. When expenditures that meet restrictions are incurred, the City intends to use reserved resources first before using unreserved amounts.

Reservations of Ending Cash and Investments consist of:

<b>Fund</b>	<b>Amount</b>	<b>Purpose of Reserve</b>
101 City Streets Fund	\$ 16,398	Externally restricted use of tax revenues
102 Transportation Benefit District	\$ 11,056	Externally restricted use of tax revenues
305 Capital Projects Fund	\$ 16,217	Impact fees restricted for park improvements
306 Capital Projects REET2 Fund	\$ 24,161	Externally restricted use of tax revenues

## **Note 2 - Property Tax**

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed after the end of each month.

Property tax revenues are recognized when cash is received by the City of Roy. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The City's regular levy for the year 2016 was \$1.885598220556 per \$1,000 on an assessed valuation of \$50,951,183 for a total regular levy of \$96,073.46.

## **Note 3 – Deposits and Investments**

It is the City's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

All deposits are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission. All investments are insured, registered or held by the City or its agent in the government's name.

Investments are reported at fair market value. Investments by type at December 31, 2016 are as follows:

<b>Type of investment</b>	<b>City's own investments</b>
Local Government Investment Pool	\$ 1,358
Timberland Bank Money Market Account	\$ 646,563

The City had a compensating balance agreement with First Citizens Bank that minimized checking account maintenance fees. The City transitioned to a different bank during the last quarter, but while using First Citizens Bank, the average compensating balance maintained was \$253,736.

## **Note 4 – Debt Service Requirements**

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the City and summarizes the City's debt transactions for year ended December 31, 2016.

The debt service requirements for public works loans are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	31,868	2,699	34,568
2018	31,868	2,098	33,966
2019	31,868	1,496	33,364
2020	31,868	894	32,763
2021	19,508	293	19,801
Totals	\$ 146,982	\$ 7,479	\$ 154,461

#### **Note 5 - Interfund Loans**

The following table displays interfund loan activity during 2016:

<b>Borrowing Fund</b>	<b>Lending Fund</b>	<b>Balance 1/1/2016</b>	<b>New Loans</b>	<b>Repay-ments</b>	<b>Balance 12/31/2016</b>
305	405	\$20,105	0	\$20,105	0

#### **Note 6 – Pension Plans**

Substantially all City of Roy full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans: Public Employees Retirement System (PERS) Plan 2 and Law Enforcement Officers and Fire Fighters (LEOFF) Retirement Plan 2.

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
P.O. Box 48380  
Olympia, WA 98540-8380

Also, the DRS CAFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

At June 30, 2016 (the measurement date of the plans), the City's proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

	<b>Allocation %</b>	<b>Liability (Asset)</b>
PERS 1 UAAL	0.000887%	\$ 47,636
PERS 2/3	0.001136%	\$ 57,197
LEOFF 1	0.000560%	\$ (5,770)
LEOFF 2	0.003023%	\$ (17,583)

## LEOFF Plan 1

The City participates in LEOFF Plan 1. The LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.

## LEOFF Plan 2

The City also participates in the LEOFF Plan 2. The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute.

## **Note 7 - Other Disclosures**

### *Change in Financial Presentation*

In the Capital Projects Fund, \$12,021 of the beginning balance for 2016 was reclassified from unreserved to reserved status. The City identified \$11,860 in park impact fees that were received in 2007, and related interest earned, that should be reserved for parks expenditures.

### *Commitments of Future Resources*

The City has a commitment to pay for post-employment benefits for employees who belong to LEOFF1. These benefits include medical coverage. One retiree received benefits during the year and \$6,843 was paid for those benefits during the year.

### *Interlocal Agreements*

An Agreement for Fire Inspection Services with Pierce County commenced 3/1/2013, renewing annually unless terminated. Inspection fees are as in Pierce County Code Table 17C.60-2.

An Agreement for Emergency Management Services with Pierce County commenced 1/1/ 2005, renewed for the five-year period of 2010 to 2014, and subsequently was rewritten and agreed for 1/1/2015 through 12/31/2019. The fee is an amount per capita that is adjusted annually based on CPI; for 2016, it was 805 at \$0.85.

An Agreement to Provide Special Services by Pierce County to the City of Roy for specialized investigative and major crime services commenced 1/1/2010, renewing automatically each year. The fee is per capita as outlined in the agreement and is updated each year. For 2016, it was 805 at \$1.51.

South Sound 9-1-1 Services Agreement for police department access to information and records services commenced 1/1/2013 and remains in effect until cancelled. Fees for services are calculated annually and totaled \$26,690 for 2016.

A Communications System Use Agreement between the City of Roy and Pierce County for the police department's use of the county's radio system commenced 1/1/2010. Fees are established annually and were not imposed in 2016.

An Interlocal Agreement with the Association of Washington Cities Employee Benefit Trust to participate in its health care program commenced 1/1/2014. The Trust receives health insurance premiums.

A Cooperation Agreement for Urban County Community Development Program Funds with Pierce County commenced 1/1/2000 and was amended 7/14/2014 for participation in Pierce County's Urban County Community Development Consortium to share in allocation of CDBG entitlements. There is no fee.

An Interlocal Agreement between the Pierce County Flood Control Zone District and the City of Roy for Opportunity Fund Projects commenced 4/9/2014 and allows the city to request its share of tax revenues to fund eligible projects. There is no fee.

An Interlocal Agreement between Pierce County Rural Library District and City of Roy for Reciprocal Borrowing commenced 6/14/2010. There is no fee.

An Agreement for the Housing of Inmates in the Puyallup City Jail commenced 2/17/2011. Daily rate is \$65.00.

A Jail Service Contract with City of Buckley commenced 10/1/1999. Daily rate is \$48.00.

An Agreement Providing for the Provision of Jail Services with Pierce County commenced 1/1/1993 and terminated 10/28/2016. The City paid booking fees totaling \$409 in 2016.

An Interlocal Correction/Detention Agreement with City of Wapato commenced 1/1/2012. Daily rate is \$50.00.

A Ballot Drop Box Property Use Agreement with Pierce County commenced 3/17/2015 and terminates 12/31/2025. There is no fee.

A Jail Services Agreement with the City of Fife commenced in 2003, continued by its second amendment dated 12/1/2010, and ended 12/31/2016. The daily rate for 2016 was \$98.00.

A Washington Public Agency Contract for Small Works, Consultant, and Vendor Rosters with Municipal Research and Services Center of Washington renewed 12/1/2016 for one year. The fee was \$120.00.

A Pierce County Metro Canine Unit Agreement commenced 12/28/2015 for four years. There is no fee.

An Agreement to Establish a Process for Reciprocal Borrowing between Timberland Regional Library and the City of Roy commenced 7/26/2016. There is no fee.

# City of Roy

## Schedule 01

For the year ended December 31, 2016

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	001	General Fund	3088000	Unreserved Cash and Investments - Beginning	\$249,016
0600	001	General Fund	3111000	Property Tax	\$98,796
0600	001	General Fund	3131100	Local Retail Sales and Use Tax	\$185,989
0600	001	General Fund	3131500	Special Purpose Sales and Use Tax	\$17,520
0600	001	General Fund	3131700	Zoo, Aquarium and Wildlife Facilities Sales and Use Tax	\$7,444
0600	001	General Fund	3137100	Criminal Justice Sales and Use Tax	\$13,354
0600	001	General Fund	3161000	Business and Occupation Taxes	\$12,409
0600	001	General Fund	3164000	Business and Occupation Taxes on Utilities	\$31,530
0600	001	General Fund	3164100	Business and Occupation Taxes on Utilities	\$41,256
0600	001	General Fund	3164500	Business and Occupation Taxes on Utilities	\$9,934
0600	001	General Fund	3164600	Business and Occupation Taxes on Utilities	\$7,466
0600	001	General Fund	3164700	Business and Occupation Taxes on Utilities	\$14,989
0600	001	General Fund	3168100	Gambling Tax - Punch Boards and Pull Tabs	\$2,994
0600	001	General Fund	3213000	Police and Protective	\$10
0600	001	General Fund	3217000	Amusements	\$480
0600	001	General Fund	3219100	Franchise Fees and Royalties	\$5,014
0600	001	General Fund	3219900	Other Business Licenses and Permits	\$9,630
0600	001	General Fund	3221000	Buildings, Structures and Equipment	\$814
0600	001	General Fund	3223000	Animal Licenses	\$635

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	001	General Fund	3224000	Street and Curb Permits	\$1,483
0600	001	General Fund	3229000	Other Non-Business Licenses and Permits	\$40
0600	001	General Fund	3360098	City-County Assistance	\$9,399
0600	001	General Fund	3360621	Criminal Justice - Violent Crimes/Population	\$1,000
0600	001	General Fund	3360626	Criminal Justice - Special Programs	\$808
0600	001	General Fund	3360651	DUI and Other Criminal Justice Assistance	\$126
0600	001	General Fund	3360694	Liquor/Beer Excise Tax	\$3,756
0600	001	General Fund	3360695	Liquor Control Board Profits	\$6,935
0600	001	General Fund	3370001	Local Grants, Entitlements and Other Payments	\$1
0600	001	General Fund	3413300	District/Municipal Court - Administrative Fees	\$1,964
0600	001	General Fund	3413500	Other Statutory Certifying and Copy Fees	\$200
0600	001	General Fund	3417000	Sales of Merchandise	\$3
0600	001	General Fund	3418100	Data/Word Processing, Printing, Duplicating and IT Services	\$168
0600	001	General Fund	3418200	Engineering Services	\$363
0600	001	General Fund	3419500	Legal Services	\$75
0600	001	General Fund	3423000	Detention and Correction Services	\$1,765
0600	001	General Fund	3424000	Protective Inspection Services	\$771
0600	001	General Fund	3425000	Disaster Preparation Services	\$103
0600	001	General Fund	3452300	Animal Control and Shelter Services	\$50
0600	001	General Fund	3458300	Plan Checking Services	\$25
0600	001	General Fund	3472000	Library Services	\$12
0600	001	General Fund	3523000	Proof of Motor Vehicle Insurance	\$396
0600	001	General Fund	3531000	Traffic Infraction Penalties	\$20,235



MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	001	General Fund	3537000	Non-Traffic Infraction Penalties	\$40
0600	001	General Fund	3552000	Driving Under Influence (DUI) Fines	\$1,321
0600	001	General Fund	3558000	Other Criminal Traffic Misdemeanor Fines	\$5,146
0600	001	General Fund	3569000	Other Criminal Non-Traffic Fines	\$457
0600	001	General Fund	3573300	Public Defense Cost	\$129
0600	001	General Fund	3597000	Non-Court Fines and Penalties	\$206
0600	001	General Fund	3599000	Non-Court Fines and Penalties	\$2,700
0600	001	General Fund	3611100	Investment Earnings	\$231
0600	001	General Fund	3614000	Other Interest	\$2,502
0600	001	General Fund	3620000	Rents and Leases	\$34,426
0600	001	General Fund	3671100	Contributions and Donations from Nongovernmental Sources	\$577
0600	001	General Fund	3694000	Judgments and Settlements	\$856
0600	001	General Fund	3698000	Cash Adjustments	\$46
0600	001	General Fund	3893000	Agency Type Collections	\$34,892
0600	001	General Fund	3893100	Agency Type Collections	\$36
0600	001	General Fund	3951000	Proceeds from Sales of Capital Assets	\$1,100
0600	101	City Streets	3081000	Reserved Cash and Investments - Beginning	\$6,966
0600	101	City Streets	3340380	State Grant from Transportation Improvement Board (TIB)	\$26,084
0600	101	City Streets	3360071	Multimodal Transportation - Cities	\$824
0600	101	City Streets	3360087	Motor Vehicle Fuel Tax - City Streets	\$17,379
0600	101	City Streets	3971800	Transfers-In	\$10,784
0600	102	Transportation Benefit District	3081000	Reserved Cash and Investments - Beginning	\$6,703
0600	102	Transportation Benefit District	3176000	Transportation Benefit District Vehicle Fees	\$14,197

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	102	Transportation Benefit District	3611100	Investment Earnings	\$16
0600	305	Capital Projects Fund	3081000	Reserved Cash and Investments - Beginning	\$29,552
0600	305	Capital Projects Fund	3088000	Unreserved Cash and Investments - Beginning	\$21,496
0600	305	Capital Projects Fund	3183400	REET 1 - First Quarter Percent	\$10,784
0600	305	Capital Projects Fund	3183500	REET 2 - Second Quarter Percent	\$10,784
0600	305	Capital Projects Fund	3611100	Investment Earnings	\$78
0600	305	Capital Projects Fund	3971800	Transfers-In	\$1,000
0600	305	Capital Projects Fund	3972100	Transfers-In	\$7,500
0600	305	Capital Projects Fund	3973400	Transfers-In	\$1,000
0600	305	Capital Projects Fund	3974200	Transfers-In	\$9,612
0600	305	Capital Projects Fund	3979500	Transfers-In	\$5,000
0600	305	Capital Projects Fund	3979700	Transfers-In	\$20,111
0600	402	Water Operations & Maintenance	3088000	Unreserved Cash and Investments - Beginning	\$372,002
0600	402	Water Operations & Maintenance	3331421	Federal Indirect Grant from Department of Housing and Urban Development.	\$14,010
0600	402	Water Operations & Maintenance	3434000	Water Sales and Services	\$262,753
0600	402	Water Operations & Maintenance	3434100	Water Sales and Services	\$4,984
0600	402	Water Operations & Maintenance	3593400	Non-Court Fines and Penalties	\$14,247
0600	402	Water Operations & Maintenance	3611100	Investment Earnings	\$393
0600	402	Water Operations & Maintenance	3614100	Other Interest	\$6
0600	402	Water Operations & Maintenance	3812100	Interfund Loan Repayment Received	\$20,105
0600	635	Treasurers Suspense Fund	3081000	Reserved Cash and Investments - Beginning	\$9,612
0600	635	Treasurers Suspense Fund	3891000	Refundable Deposits	\$1,250
0600	001	General Fund	5113040	Official Publication Services	\$3,786
0600	001	General Fund	5116010	Legislative Activities	\$3,234

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	001	General Fund	5116020	Legislative Activities	\$337
0600	001	General Fund	5125010	Municipal Court	\$31,101
0600	001	General Fund	5125020	Municipal Court	\$8,643
0600	001	General Fund	5125030	Municipal Court	\$486
0600	001	General Fund	5125040	Municipal Court	\$5,166
0600	001	General Fund	5131010	Executive Office	\$4,800
0600	001	General Fund	5131020	Executive Office	\$385
0600	001	General Fund	5131040	Executive Office	\$1,937
0600	001	General Fund	5142310	Financial Services	\$36,097
0600	001	General Fund	5142320	Financial Services	\$7,072
0600	001	General Fund	5142330	Financial Services	\$529
0600	001	General Fund	5142340	Financial Services	\$3,151
0600	001	General Fund	5142350	Financial Services	(\$119)
0600	001	General Fund	5144050	Election Services	\$1,257
0600	001	General Fund	5153040	Legal Services	\$16,816
0600	001	General Fund	5159140	General Indigent Defense	\$5,004
0600	001	General Fund	5172020	Pension and Other Benefit Payments to Retirees	\$6,843
0600	001	General Fund	5172120	Pension and Other Benefit Payments to Retirees	\$25
0600	001	General Fund	5183010	Maintenance/Security/Insurance/Janitorial Services	\$4,427
0600	001	General Fund	5183020	Maintenance/Security/Insurance/Janitorial Services	\$1,775
0600	001	General Fund	5183030	Maintenance/Security/Insurance/Janitorial Services	\$2,104
0600	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$16,039
0600	001	General Fund	5188040	Information Technology Services	\$901
0600	001	General Fund	5211040	Administration	\$60
0600	001	General Fund	5212010	Police Operations	\$102,135
0600	001	General Fund	5212020	Police Operations	\$23,068

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	001	General Fund	5212030	Police Operations	\$673
0600	001	General Fund	5212040	Police Operations	\$9,273
0600	001	General Fund	5212250	Police Operations	\$4,330
0600	001	General Fund	5212350	Police Operations	\$1,216
0600	001	General Fund	5212730	Police Operations	\$6,862
0600	001	General Fund	5212740	Police Operations	\$392
0600	001	General Fund	5212840	Police Operations	\$3,682
0600	001	General Fund	5212850	Police Operations	\$26,690
0600	001	General Fund	5214050	Training	\$30
0600	001	General Fund	5215040	Facilities	\$1,000
0600	001	General Fund	5236050	Care and Custody of Prisoners	\$6,359
0600	001	General Fund	5242050	Inspections, Permits, Certificates and Licenses	\$561
0600	001	General Fund	5246010	Enforcement of Codes and Regulation	\$4,395
0600	001	General Fund	5246020	Enforcement of Codes and Regulation	\$561
0600	001	General Fund	5246030	Enforcement of Codes and Regulation	\$734
0600	001	General Fund	5251050	Administration	\$684
0600	001	General Fund	5442040	Engineering	\$363
0600	001	General Fund	5536040	Weed Control	\$14
0600	001	General Fund	5537040	Pollution Control and Remediation	\$457
0600	001	General Fund	5586040	Planning	\$2,750
0600	001	General Fund	5660050	Chemical Dependency Services	\$214
0600	001	General Fund	5721040	Administration	\$2,778
0600	001	General Fund	5722010	Library Services	\$7,418
0600	001	General Fund	5722020	Library Services	\$692
0600	001	General Fund	5722030	Library Services	\$2,071
0600	001	General Fund	5722040	Library Services	\$1,663
0600	001	General Fund	5725030	Facilities	\$63
0600	001	General Fund	5725040	Facilities	\$2,832
0600	001	General Fund	5739030	Other	\$626
0600	001	General Fund	5768140	General Parks	\$1,489

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	001	General Fund	5768510	General Parks	\$5,120
0600	001	General Fund	5768520	General Parks	\$2,071
0600	001	General Fund	5768530	General Parks	\$863
0600	001	General Fund	5768540	General Parks	\$476
0600	001	General Fund	5893000	Agency Type Remittances	\$34,892
0600	001	General Fund	5893100	Agency Type Remittances	\$36
0600	001	General Fund	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$7,586
0600	001	General Fund	5971800	Transfers-Out	\$1,000
0600	001	General Fund	5972100	Transfers-Out	\$7,500
0600	001	General Fund	5979500	Transfers-Out	\$5,000
0600	001	General Fund	5979700	Transfers-Out	\$20,111
0600	001	General Fund	5088000	Unreserved Cash and Investments - Ending	\$381,037
0600	101	City Streets	5423030	Roadway	\$356
0600	101	City Streets	5423040	Roadway	\$966
0600	101	City Streets	5426340	Street Lighting	\$32,604
0600	101	City Streets	5426430	Traffic Control Devices	\$637
0600	101	City Streets	5429010	Maintenance Administration and Overhead	\$5,157
0600	101	City Streets	5429020	Maintenance Administration and Overhead	\$2,081
0600	101	City Streets	5433040	General Services	\$3,612
0600	101	City Streets	5944260	Capital Expenditures/Expenses - Roads/Streets Ordinary Maintenance	\$226
0600	101	City Streets	5081000	Reserved Cash and Investments - Ending	\$16,398
0600	101	City Streets	5088000	Unreserved Cash and Investments - Ending	\$0
0600	102	Transportation Benefit District	5423040	Roadway	\$3,850
0600	102	Transportation Benefit District	5426430	Traffic Control Devices	\$3,000

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	102	Transportation Benefit District	5433040	General Services	\$9
0600	102	Transportation Benefit District	5944260	Capital Expenditures/Expenses - Roads/Streets Ordinary Maintenance	\$3,000
0600	102	Transportation Benefit District	5081000	Reserved Cash and Investments - Ending	\$11,057
0600	305	Capital Projects Fund	5812100	Interfund Loan Repayments	\$20,105
0600	305	Capital Projects Fund	5922180	Interest and Other Debt Service Cost - Law Enforcement Services	\$6
0600	305	Capital Projects Fund	5941860	Capital Expenditures/Expenses - Centralized/General Services	\$76
0600	305	Capital Projects Fund	5953060	Capital Expenditures/Expenses - Roadway	\$9,612
0600	305	Capital Projects Fund	5971800	Transfers-Out	\$10,784
0600	305	Capital Projects Fund	5081000	Reserved Cash and Investments - Ending	\$40,378
0600	305	Capital Projects Fund	5088000	Unreserved Cash and Investments - Ending	\$35,956
0600	402	Water Operations & Maintenance	5341010	Water Utilities	\$24,926
0600	402	Water Operations & Maintenance	5341020	Water Utilities	\$4,538
0600	402	Water Operations & Maintenance	5341030	Water Utilities	\$1,968
0600	402	Water Operations & Maintenance	5341040	Water Utilities	\$66,553
0600	402	Water Operations & Maintenance	5345010	Water Utilities	\$22,000
0600	402	Water Operations & Maintenance	5345020	Water Utilities	\$8,895
0600	402	Water Operations & Maintenance	5345030	Water Utilities	\$4,710
0600	402	Water Operations & Maintenance	5345040	Water Utilities	\$47,649
0600	402	Water Operations & Maintenance	5913470	Debt Repayment - Water Utilities	\$31,868

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0600	402	Water Operations & Maintenance	5923480	Interest and Other Debt Service Cost - Water Utilities	\$3,301
0600	402	Water Operations & Maintenance	5943460	Capital Expenditures/Expenses - Water Utilities	\$34,409
0600	402	Water Operations & Maintenance	5973400	Transfers-Out	\$1,000
0600	402	Water Operations & Maintenance	5088000	Unreserved Cash and Investments - Ending	\$436,683
0600	635	Treasurers Suspense Fund	5891000	Refund of Deposits	\$1,250
0600	635	Treasurers Suspense Fund	5974200	Transfers-Out	\$9,612
0600	635	Treasurers Suspense Fund	5088000	Unreserved Cash and Investments - Ending	\$0

**SCHEDULE OF DISBURSEMENT ACTIVITY****For Year Ending: December 31, 2016**

Fund	Fund Title	Beginning Outstanding Items	Issued During The Year	Redeemed During The Year	Canceled During The Year	Ending Outstanding Items	Prior Yr Open Period Items	Curr Yr Open Period Items	Disbursements
		01/01/2016				12/31/2016			12/31/2016
001	General Fund	16,050.29	430,880.46	433,422.13	1,669.26	11,839.36	0.00	0.00	429,211.20
101	City Streets	1,169.64	48,747.78	49,760.29		157.13	0.00	0.00	48,747.78
102	Transportation Benefit District	-0.04	9,857.22	9,857.18			0.00	0.00	9,857.22
305	Capital Projects Fund	41.00	9,687.68	9,728.68			0.00	0.00	9,687.68
402	Water Operations & Maintenance	6,741.62	220,953.94	218,293.94		9,401.62	0.00	0.00	220,953.94
635	Treasurers Suspense Fund	700.00	1,250.00	1,950.00			0.00	0.00	1,250.00
<b>TOTALS:</b>		<b>24,702.51</b>	<b>721,377.08</b>	<b>723,012.22</b>	<b>1,669.26</b>	<b>21,398.11</b>			<b>719,707.82</b>



**City of Roy**  
**Schedule of Liabilities**  
**For the Year Ended December 31, 2016**

<b>ID. No.</b>	<b>Description</b>	<b>Due Date</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
259.12	Compensated absences		6,194	-	849	5,345
263.84	Loans to other governments, Proprietary, PW Board - Corrosion Control Proj. 10/1/2000	10/1/2021	117,047	-	19,508	97,539
263.84	Loans to other governments, Proprietary, PW Board - Booster Pump Station 10/1/1999	10/1/2020	61,803	-	12,361	49,442
264.30	Net Pension Liability		89,885	14,948	-	104,833
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>			<b>274,929</b>	<b>14,948</b>	<b>32,718</b>	<b>257,159</b>
<b>Total Liabilities:</b>			<b>274,929</b>	<b>14,948</b>	<b>32,718</b>	<b>257,159</b>

**SCHEDULE OF CASH ACTIVITY**  
For Year Ending: December 31, 2016

Fund	Beg Balance	Receipts	Transfers-In	Other Rev	Netted Trans	Ttl Increase	Disbursements	Trans-Out	Other Exp	Ttl Decrease	End Balance
001 General Fund	249,016.38	563,477.32		31,395.37		594,872.69	430,880.46		31,972.20	462,852.66	381,036.41
101 City Streets	6,966.01	47,273.74		10,783.50		58,057.24	48,747.78		-122.49	48,625.29	16,397.96
102 Transportation Benefit District	6,702.81	14,212.12				14,212.12	9,857.22		1.56	9,858.78	11,056.15
305 Capital Projects Fund	51,048.42	21,644.11		44,222.63		65,866.74	9,687.68		30,894.49	40,582.17	76,332.99
402 Water Operations & Maintenance	372,002.08	298,422.53	-37,000.00	56,957.67		318,380.20	220,953.94	-37,000.00	69,744.99	253,698.93	436,683.35
635 Treasurers Suspense Fund	9,611.68	1,250.00				1,250.00	1,250.00		9,611.68	10,861.68	
<b>TOTALS:</b>	695,347.38	946,279.82	-37,000.00	143,359.17		1,052,638.99	721,377.08	-37,000.00	142,102.43	826,479.51	921,506.86

**City of Roy**  
**SCHEDULE OF STATE FINANCIAL ASSISTANCE (unaudited)**  
**For Fiscal Year ended December 31, 2016**

Grantor	Program Title	Identificaton Number	Amount
State Grant from Transportation Improvement Board (TIB)	LED Streetlight Conversion -PSE	S-P-814(001)-1	26,084
	SCSP Peterson St 3rd St To School Parking Lot	P-P-814(P02)-1	9,612
	Sub-total:		35,695
Grand total:		35,695	

**City of Roy**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2016**

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
CDBG - Entitlement Grants Cluster								
Office Of Community Planning And Development, Department Of Housing And Urban Development (via Pierce County Community Connections)	Community Development Block Grants/Entitlement Grants	14.218	SC-103653	14,010	-	14,010	-	1,2,7
Total CDBG - Entitlement Grants Cluster:				14,010	-	14,010	-	
Total Federal Awards Expended:				14,010	-	14,010	-	

*The accompanying notes are an integral part of this schedule.*

City of Roy  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ending December 31, 2016

Note 1 – Basis of Accounting

This schedule is prepared on the same basis of accounting as the city's financial statements. The city uses the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. Additional details about the basis of accounting used by the city is found in the Notes to the Financial Statements.

Note 2 – Program Costs

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the city's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 7 – Indirect Cost Rate

The city has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Labor Relations Consultant(S)  
For the Year Ended December 31, 2016**

Has your government engaged labor relations consultants? ☐ Yes ☒ No

If yes, please provide the following information for each consultant:

Name of firm:
Name of consultant:
Business address:
Amount paid to consultant during fiscal year:
Terms and conditions, as applicable, including:  Rates (e.g., hourly, etc.)  Maximum compensation allowed  Duration of services  Services provided

**LOCAL GOVERNMENT RISK-ASSUMPTION**  
**For the Year Ended December 31, 20\_\_**

1. no Does the entity self-insure for any class of risk, including liability, property, health and welfare, unemployment compensation, workers' compensation? (yes/no)

**If NO, STOP, you do not need to complete the rest of this Schedule.**

**If YES, continue below.**

- a. Which class of risk does the entity self-insure? Check all that apply.
- i.        Liability
  - ii.        Property
  - iii.        Health and Welfare (medical, vision, dental, prescription)
  - iv.        Unemployment Compensation
  - v.        Workers' Compensation
  - vi.        Other - please describe: \_\_\_\_\_
- b.        Does the entity self-insure as an individual program? (yes/no)
- i.        If answered YES, does the entity allow another separate legal entity into its self-insurance program(s)? (yes/no) For example, employees of a different organization participate in a health and welfare program of a city.  
  
If so, list the entity or entities: \_\_\_\_\_
- c.        Does the entity self-insure as a joint program? (yes/no)
- If answered YES, list the other member(s): \_\_\_\_\_

2. \_\_\_\_ Does the entity administer its own claims? (yes/no)
3. \_\_\_\_ Does the entity contract with a third party administrator for claims administration? (yes/no)
4. \_\_\_\_ Did the entity receive a claims audit in the last three years, regardless of who administered the claims? (yes/no)
5. \_\_\_\_ Were the program's revenues sufficient to cover the program's expenses? (yes/no)
6. \_\_\_\_ Did the program use an actuary to determine its liabilities? (yes/no)

**EXAMPLE**

Description of Risk Type	Number of claims received during the period	Number of claims paid during the period	Total amount of claims paid during the period
Liability (automobile)	354	279	\$104,366

Description of Risk Type	Number of claims received during the period	Number of claims paid during the period	Total amount of claims paid during the period